Health Reform: Back to the Future

Lunchtime Seminar
George Washington University
Department of Health Policy
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Threats to ACA are Real, But the Law Holds Some Cards Too:

✓ Influential stakeholders still generally support reform (and not all for altruistic reasons)

✓ Implementation power provides Administration leverage and 2-way motivation for good behavior

✓ Democratic Senate, 60-vote threshold and veto

✓ Presidential Bully Pulpit

✓ Continued implementation makes reform part of fabric of system and more difficult to roll back
So, Why are Democrats So Inept at Selling ACA? How About:

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<th>You can keep what you have and little will change</th>
<th>We are fundamentally reforming our system</th>
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<td>Affordable coverage for every American will be ensured (through tax credits, Medicaid expansions, etc)</td>
<td>Reform will not increase costs and, in fact, it will reduce the deficit</td>
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<td>Seniors will have more choices, benefits, and will see the life of the Trust Fund extended</td>
<td>There will be $500 billion in Medicare savings</td>
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<td>This is consistent with all the bipartisan health reform policies of the past</td>
<td>There is no Republican support</td>
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<td>“It is an extraordinary achievement.” –Obama</td>
<td>Democrats do not defend or promote. In fact, they try to change the subject</td>
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<td>“This is a big $%#!-ing deal.” –Biden</td>
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And While Republicans are More Consistent and Effective, Facts are Not Their Strong Suit

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<th>ObamaCare is a government takeover</th>
<th>There should be no public option that is a placeholder for single-payer (there is no such option)</th>
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<td>ObamaCare failed to have any serious cost containment</td>
<td>ObamaCare cut Medicare by $500 billion</td>
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<td>ObamaCare will slash Medicare and hurt seniors</td>
<td>We must get a handle on open-ended entitlements</td>
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<td>ObamaCare will create rationing and establish death panels</td>
<td>We spend too much money in the last year of life (in face of AZ transplant decision)</td>
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<td>ObamaCare is a budget/deficit buster</td>
<td>The independent CBO deficit reduction scoring of ACA is wrong; BTW, we should repeal the Innovation Center, IPAB, and CER</td>
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Current Positioning for Opponents and Supporters

- **Job of Opponents of Affordable Care Act:**
  - To effectively (but not annoyingly) keep issue front and center by raising concerns/fear through amendments and oversight, positioning for 2012 election AND developing a credible alternative

- **Job of Supporters of the Affordable Care Act:**
  - To make health reforms worth saving – to take off table as a politically potent issue. Job is to make discussions of repeal unpopular/out of touch, implement law with limited disruption and be open to “reforming reform”

- **The Real Job of BOTH Parties, though, for 2012 is:**
  - To play to/secure the independents AND prepare for the next meaningful health reform debate…
Which Will Be All About Debt/Deficit

Deficit, Dollars in Billions, FY 2001-11

Source: Congressional Budget Office, March 2011
+Projected
Fork in the Road

Scenario I: Status Quo
- Legislative polarization/paralysis prevail
- Stakeholders keep low profile

Scenario II: “Mandate” Found Unconstitutional
- Major Policy and Political Disruption
- Supporters and Stakeholders move to quickly find alternative but opponents effectively block in Congress

Scenario III: Republican President is Elected… Real Threat
- Republicans dominate all Seats of Power
- ACA will be “repealed”
So, Back to Status Quo Environment…

- Because legislative changes in Congress will be limited, the primary health reform game will be:
  - Executive Branch implementation
  - Congressional oversight
  - The Supremes
  - State actions
  - Presidential election positioning

- The next real health care debate will be deficit/debt driven and it will move from repeal and replace to retain and reform